STATE OF IOWA

DEPARTMENT OF COMMERCE

UTILITIES BOARD

IN RE:

MIDAMERICAN ENERGY COMPANY AND MIDLAND POWER COOPERATIVE DOCKET NO. SPU-03-15

ORDER GRANTING PETITION FOR MODIFICATION OF SERVICE AREA BOUNDARIES

(Issued December 15, 2003)

On October 27, 2003, MidAmerican Energy Company (MidAmerican) and Midland Power Cooperative (Midland) filed a joint petition for modification of electric service area boundaries pursuant to 199 IAC 20.3(9). A service area agreement between MidAmerican and Midland is attached to the petition. MidAmerican and Midland filed a letter on November 21, 2003, indicating that there are no existing customers that would have service transferred as a result of the joint petition. No objections to the petition were filed.

MidAmerican and Midland request the Utilities Board (Board) modify the service territory boundary between the two utilities in Polk County, Iowa. The following service territory is to be transferred from Midland to MidAmerican:

That part of Section 35, Township 81 North, Range 25 West of the 5th P.M., Polk County, Iowa, as more particularly described as follows: Commencing at the Center of said Section 35; thence North a distance of 1,000 feet, thence East a distance of 800 feet to a point on the Southwesterly line of Outlot "F" of Tournament Club of Iowa Plat 1, thence

Southeasterly along said Southwesterly line of said Outlot "F" a distance of 500 feet; thence continuing Southeasterly a distance of 850 feet to a point on the South line of the Northeast Quarter (NE1/4) of said Section 35; thence West a distance of 1,650 feet to the Point of Beginning at the Center of said Section 35.

The following service territory is to be transferred from MidAmerican to Midland:

That part of Section 36, Township 81 North, Range 25 West of the 5th P.M., Polk County, Iowa, as more particularly described as follows: The South 350 feet of Outlot "G" of Tournament Club of Iowa Plat 1.

In support of the petition, MidAmerican and Midland state the transfer includes two parcels of land located in the general vicinity of the Tournament Club of Iowa, a new golf course and housing development located in Polk City. The transfer eliminates the potential that boundary lines would run through any residential development. If service territory boundary lines were to run through the development, there would be duplication of electric facilities. Because no customers are currently being served in the areas to be transferred, no disruption of service will occur.

Iowa Code § 476.25 (2003) provides in pertinent part:

Contracts between electric utilities to designate service areas and customers to be served by the electric utility or for the exchange of customers between electric utilities, when approved by the board, shall be valid and enforceable and shall be incorporated into the appropriate exclusive service areas established pursuant to subsection 1 of this section. The board shall approve a contract if it finds that the contract will eliminate or avoid unnecessary duplication of facilities, will provide adequate electric service to all areas and

customers affected, will promote the efficient and economical use and development of the electric systems of the contracting electric utilities, and is in the public interest.

The Board will grant the MidAmerican and Midland joint petition for modification of service area boundaries. MidAmerican and Midland have alleged facts which establish the proposed modification is in the public interest, will prevent unnecessary duplication of facilities, provide adequate electric service to all customers affected, and will promote the efficient and economical use of electrical systems, pursuant to lowa Code § 476.25.

IT IS THEREFORE ORDERED:

The joint petition for modification of electric service area boundaries filed by MidAmerican Energy Company and Midland Power Cooperative on October 27, 2003, is granted, subject to complaint or investigation.

UTILITIES BOARD

/s/ Diane Munns /s/ Mark O. Lambert ATTEST: /s/ Judi K. Cooper /s/ Elliott Smith

Dated at Des Moines, Iowa, this 15th day of December, 2003.

Executive Secretary